

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:1273

ANSWERED ON:08.03.2002

FALL IN PRICES OF RUBBER

B.K. PARTHASARATHI;K. MURALEEDHARAN;RAMESH CHENNITHALA;S. AJAYA KUMAR

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the prices of rubber has been steadily declining for the last three years;
- (b) if so, the extent to which prices have been declined during the above period, year-wise;
- (c) whether the Government have fixed minimum support price for rubber to stabilize the prices and to ensure a reasonable price to the growers;
- (d) if so, the details thereof;
- (e) whether Government have received representations from rubber growers to raise the amount of Minimum Support Price for rubber;
- (f) if so, the details thereof and the reaction of the Government thereto;
- (g) whether keeping in view the huge stock, Government are considering to export rubber;
- (h) if so, the details thereof alongwith the countries to whom rubber is likely to be exported; and
- (i) the steps being taken in this direction?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) & (b): During the last 3 years, the yearly average price of rubber has remained almost the same as may be seen from the table below:

Year Average price (Rs./kg)

1999	29.97
2000	31.25
2001	31.09

(c) & (d): The Government has not fixed ` Minimum Support Price` for rubber.However, Govt. has fixed and notified minimum price for trading in the two most commonly used classes of rubber namely Ribbed Smoked Sheet - 4 (RSS-4) and Ribbed Smoked Sheet -5 (RSS-5) at Rs. 32.09/kg and Rs. 30.79/kg respectively under the provisions of the Rubber Act, 1947.

(e) & (f): There have been requests from rubber growers for raising the minimum price for rubber. Government has fixed minimum price for RSS-4 and RSS-5 grades of Natural Rubber on the basis of import parity price keeping in view the international prices under the Quantitative Restriction free regime.Raising the minimum price for rubber is not feasible as any price fixed not taking into consideration the international price would lead to surge in imports thereby causing undue hardship to rubber growers.

(g) to (i): Yes, Sir. Government of India has approved a scheme for export of 20,000 MT of Natural Rubber through Kerala State Cooperative Rubber Marketing Federation with an outlay of Rs.17.40 crore to be shared by the Government of India and Government of Kerala.

Target countries for export of Natural Rubber from the country include Nepal, Singapore, China, UAE, Australia,Sri Lanka, Turkey and USA .